

**RHODE ISLAND COMMERCE CORPORATION**  
**MEETING OF DIRECTORS**  
**PUBLIC SESSION**  
**MAY 15, 2014**

**The Board of Directors of the Rhode Island Commerce Corporation (the “Corporation”) met on Thursday, May 15, 2014, in Public Session, beginning at 10:00 a.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, RI 02908, pursuant to the notice of meeting to all Directors, and the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by the By-Laws of the Corporation and applicable to Rhode Island law.**

**The following Directors were present and participated throughout the meeting as indicated: Governor Lincoln D. Chafee, Mr. Jerauld Adams, Ms. Maeve Donohue, Mr. Roland Fiore, Ms. Shannon Brawley, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. Tim Hebert, Mr. Stanley Weiss, Mr. Jason Kelly, Ms. Elizabeth Francis, and Mr. George Nee.**

**Directors absent were: Dr. Nancy Carriuolo.**

**Also present were: Marcel Valois and Thomas Carlotto.**

**1. CALL TO ORDER AND OPENING REMARKS**

**Governor Chafee called the meeting to order at 10:02 a.m. indicating**

that a quorum was present. Governor Chafee thanked the Board Members for attending the meeting and indicated that a substantial amount of time and work has gone into Fourth Economy's presentation regarding economic development strategy.

## **2. TO RECEIVE AND FURTHER DISCUSS A PRESENTATION REGARDING ECONOMIC DEVELOPMENT STRATEGY FROM FOURTH ECONOMY**

Marcel Valois provided introductory comments regarding the retention of Fourth Economy and the Corporation's intent to participate in the Statewide Economic Development Plan. Mr. Valois then introduced Rich Overmoyer, the President and CEO of Fourth Economy to give a presentation regarding economic development strategy. See Exhibit B. Mr. Overmoyer thanked the Board for the opportunity to present their report and also introduced Ali Mabel, Fourth Economy's Director of Innovation Strategies.

Mr. Overmoyer began his presentation by discussing an overview of the report and giving the Board Members an executive summary of Fourth Economy's view as to how Rhode Island can build a thriving economy to compete on the global scale. He began by discussing the promotion of a robust business ecosystem in Rhode Island, and added that the same could be accomplished by implementing certain actions, such as (i) managing a competitive cost structure; (ii) accelerating the impact of regulatory reform, (iii) increasing trade

logistics and support; (iv) revolutionizing Rhode Island's interface with the business community; (v) adopting an energy policy that keeps Rhode Island competitive; and (vi) supporting small business activity.

Mr. Nee arrived at 10:08 a.m. and Mr. Wadensten arrived at 10:09 a.m.

In reviewing the plan to build a robust business ecosystem, Mr. Wadensten inquired as to whether the methods to implement that plan had been placed in a typical four (4) quadrant matrix. Mr. Overmoyer responded that the specifics regarding the implementation of the plan had not been finalized. Mr. Valois added that Fourth Economy's plan is not just for the Corporation to implement, but rather all the entities participating in the Statewide Plan. The Board Members and Mr. Overmoyer then engaged in a discussion regarding ways that different entities and individuals could become involved in implementing the certain action items laid out in the plan to build a robust business ecosystem in Rhode Island. Mr. Wadensten then added that a data repository needs to be created and that the data needs to be accessible to all parties participating in the action plan. Ms. Donohue, Mr. Wadensten and Mr. Valois then noted that Fourth Economy's report is not necessarily a plan with a finite ending point, but rather a map for developing a strong economy for the State of Rhode Island over time.

Mr. Overmoyer then continued the conversation and discussed how

**Rhode Island can harness the power of innovation. He noted that the specific actions by which this can be achieved are by (i) benchmarking key technology measures; (ii); leveraging broadband investment for next generation applications; (iii) continuing to invest in innovation infrastructure; (iv) filling capital gaps by stimulating private investment; (v) accelerating research and commercialization; and (vi) catalyzing emerging market opportunities. The Board Members then discussed investment in a technological infrastructure, primarily through a fiber optic network available to all of Rhode Island. Mr. Valois mentioned that the fiber optic network currently in Rhode Island ends at the Newport Pell Bridge and is unavailable on Aquidneck Island. Mr. Wadensten added that the fiber optic network currently in place is also unavailable in Richmond, Rhode Island.**

**Mr. Hebert arrived at 10:38 a.m.**

**The discussion next moved on to fueling a manufacturing renaissance in Rhode Island. Mr. Overmoyer noted that this could be achieved by (i) creating a center for design and manufacturing; (ii) claiming Rhode Island's position as the center of the maker movement; (iii) working with National Grid to aggressively target manufacturing expansion opportunities; (iv) ensuring the real estate portfolio supports growth; and (v) developing an urban core strategy to encourage job creation in areas with higher concentrations of employment. Mr. Wadensten noted that he is passionate about manufacturing in Rhode Island and noted his disappointment that**

Rhode Island does not currently have a manufacturing and design center where people from both inside and outside the State of Rhode Island can come to learn about design and manufacturing. Mr. Valois noted that a collaborative partnership has been created to address this issue and that an application has been submitted to the federal government to have Rhode Island recognized as one of 12 manufacturing communities in the United States. If Rhode Island is selected, the collaborative will be submitting an application for grant funding to create a center for manufacture and design. Mr. Overmoyer noted that as it currently stands, Rhode Island is number one in the country for industrial design. Mr. Weiss then added that with respect to real estate portfolio issues, he does not agree that the creation of industrial parks is best for developing a real estate portfolio for businesses to move to. Rather, he noted that there are countless dated and empty mill and industrial buildings which could be outfitted for the needs of today's industry. Mr. Valois stated both new real estate infrastructure and rehabilitated mill and industrial buildings should be used due to the fact that some manufacturing companies need a single floor of open space and that historic mill buildings do not provide this ability. The Board Member's then engaged in a discussion regarding the need to rehabilitate and use existing infrastructure as well as additional development. Ms. Francis noted that the Jewelry District is a good example of the transition, adaptability and usability of former jewelry manufacturing buildings to current-day uses. Governor Chafee then concluded the topic by discussing the importance of maintaining the State's historic mill

**buildings and used the City of Pittsburgh as an example.**

**Mr. Fiore left at 10:45 a.m.**

**Mr. Overmoyer next discussed the activation of a 21st century workforce. He noted that this is accomplished by (i) continuing momentum to keep education reform movement for grades K-12 going; (ii) better aligning the workforce development system to assist employers in attracting and retaining qualified workers; (iii) reforming the job development fund; (iv) support apprenticeships and internships; and (v) expanding STEAM education from youth to professional development. The Board Members discussed the specific action items proposed by Fourth Economy to activate a 21st century workforce. Mr. Wadensten inquired with respect to the apprenticeship and internship aspect of the plan to activate a 21st century workforce. Mr. Overmoyer noted that the apprenticeship programs are on the rise and beginning to be more widely used. Mr. Nee noted that the Rhode Island Marine Trades has an established apprenticeship program and that apprenticeship programs would be relatively easy to develop within other industries. Mr. Hebert noted that the core curriculum that students needs must include an equal focus on soft curriculum and technical skills in order to prepare today's youth to be a strong part of the future workforce. Ms. Francis then added her belief that a strong work force is integral to building a strong economy in the State of Rhode Island.**

**The conversation continued on to cultivating a resilient economy in Rhode Island. Mr. Overmoyer noted that a resilient economy can be cultivated by (i) creating a stronger and more resilient Rhode Island; (ii) strengthening the food value web to increase food-related jobs; (iii) supporting efforts to improve resiliency of small business; and (iv) supporting climate research and innovation. Mr. Nee inquired as to what Mr. Overmoyer meant by cultivating a resilient economy, to which Ms. Brawley responded that it could mean a number of things and how Rhode Island will address the long term sustainable changes in Rhode Island based on numerous factors including climate change. An extended discussion ensued between the Board Members, with input from members of the meeting's audience, regarding how climate change will affect the economy and how Rhode Island can promote business to support and combat the causes of climate change. The Board Members recognized that climate change is underway and view the emerging business opportunities associated with climate change as a way to support the Rhode Island economy.**

**Finally Mr. Overmoyer discussed how Rhode Island can promote the greatness that exists within its borders. He noted that this can be achieved by (i) increasing the impact potential of the tourism industry; (ii) developing industry branding and promotion alignment with State efforts; and (iii) encouraging foreign direct investment by promoting State opportunities. Mr. Weiss noted that there are many areas in the State of Rhode Island that could be beautiful tourism**

destinations, however, they are not promoted or fully prepared for tourism. By way of example, he noted that Wickford is a beautiful destination and that the empty Wickford School could be turned into a boutique hotel destination to make Wickford more attractive to tourists. Ms. Francis then led a discussion regarding the arts, culture and historic resources are what huge asset these industries are to Rhode Island. She added that the State needs to diversify its idea of tourism to include not only destination and leisure tourism, but also heritage and educational tourism. Mr. Hebert noted that the State of Rhode Island needs to change its view and approach to tourism and how Rhode Island markets tourism to outsiders. Ms. Donohue echoed Mr. Hebert's comments and noted that Rhode Island needs to be more creative with its tourism marketing.

The Board Members and Mr. Overmoyer then briefly discussed the next steps and how the economic development strategy would be implemented. Mr. Overmoyer noted that Fourth Economy's final report would be presented for approval at the Corporation's May 19, 2014 meeting

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 11:47 a.m., upon motion made by Mr. Wadensten and seconded by Mr. Weiss.

Thomas Carlotto, Secretary